

ProfessorPortfolios LLC

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of ProfessorPortfolios LLC. If you have any questions about the contents of this brochure, please contact us at (888)-505-1967 or by email at: aaron@professorportfolios.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about ProfessorPortfolios LLC is also available on the SEC's website at www.adviserinfo.sec.gov. ProfessorPortfolios LLC's CRD number is: 175233.

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Registration does not imply a certain level of skill or training.

Version Date: 04/12/2019

Item 2: Material Changes

There are no material changes in this brochure from the last annual updating amendment of ProfessorPortfolios LLC on 02/09/2018. Material changes relate to ProfessorPortfolios LLC's policies, practices or conflicts of interests.

- ProfessorPortfolios LLC has updated their assets under management (Item 4E)
- ProfessorPortfolios LLC added Charles Schwab & Co., Inc. as a custodian (Item 12 & 14)
- Aaron St. Germain is no longer the CCO of Guttridge Capital Management (Item 10)

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Item 4: Advisory Business

A. Description of the Advisory Firm

ProfessorPortfolios LLC (hereinafter “ProfPort”) is a Limited Liability Company organized in the State of Delaware. The firm became registered as an investment adviser in 2015. The principal owners are Garari Mikel, Aaron St. Germain, & Ryan Guttridge.

B. Types of Advisory Services

Portfolio Management Services

ProfPort evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client. The firm bases its services on the individual goals, objectives, time horizon, and risk tolerance of each client. Depending on the needs of the client, ProfPort may create an Investment Policy Statement for the client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Personal investment policy
- Risk tolerance

ProfPort seeks to provide investment advices in accordance with the fiduciary duties owed to its accounts and without consideration of ProfPort’s economic, investment or other financial interests.

ProfPort does directly invest the client’s portfolio.

C. Client Tailored Services and Client Imposed Restrictions

ProfPort offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client’s current situation (income, tax levels, and risk tolerance levels). Clients are not permitted to impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. ProfPort does not participate in any wrap fee programs.

E. Assets Under Management

ProfPort has the following assets under management:

Discretionary Amounts:	Non-Discretionary Amounts:	Date Calculated:
\$35,000,000.00	\$0.00	December 2018

Item 5: Fees and Compensation

A. Fee Schedule

Portfolio Management Fees

Total AUM	Annual Fee
All Assets	1.00%

ProfPort uses the end of quarter balance of a portfolio upon which the advisory fee is based.

These fees are negotiable and the final fee schedule is attached as Exhibit II of the advisory contract. Clients may terminate the agreement without penalty for a full refund of ProfPort's fees within five business days of signing the advisory contract. Thereafter, clients may terminate the advisory contract immediately upon written notice.

B. Payment of Fees

Advisory fees are withdrawn directly from the client's accounts by ProfPort with client's written authorization. Fees are paid quarterly in arrears.

C. Client Responsibility For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by ProfPort. Please see Item 12 of this brochure regarding broker-dealer/custodian.

D. Prepayment of Fees

ProfPort collects its fees in arrears. It does not collect fees in advance.

E. Outside Compensation For the Sale of Securities to Clients

Neither ProfPort nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Item 6: Performance-Based Fees and Side-By-Side Management

ProfPort does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

ProfPort generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

There is \$5,000 account minimum for ProfPort's services.

Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

ProfessorPortfolios uses both asset allocation models for investment portfolios as well as an analytical approach to stock picking.

ProfessorPortfolios believes a potential investment can only be evaluated correctly by using original, primary data. To start our analysis, we manually rebuild a company's balance sheet and income statement with data from the past five years. We use the Sustainable Free Cash Flow Model (SFCF) to develop a discounted cash flow model of the company under consideration.

A company's fair market value is determined by its free cash flow. A successful investor must have an understanding of the prospective distribution of free cash flows per share (fair values). Armed with this information, ProfessorPortfolios can determine where the current share price (the objective measure of value) is located on the distribution of free cash flow per share. This enables us to calculate the probabilities for gains and losses. If we can get started on all this soon, that would be great. Please let me know what questions come up.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Modern Portfolio Theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. Most investments are not guaranteed or insured by the FDIC or any other government agency.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither ProfPort nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither ProfPort nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither ProfPort nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

ProfPort does not utilize nor select third-party investment advisers.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

ProfPort has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. ProfPort's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

ProfPort does not recommend that clients buy or sell any security in which a related person to ProfPort or ProfPort has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

ProfPort does recommend specific securities to clients and therefore representatives of ProfPort do buy or sell securities for themselves that they also recommend to clients.

D. Trading Securities At/Around the Same Time as Clients' Securities

ProfPort does trade securities for client accounts, and therefore representatives of ProfPort do buy or sell securities for themselves that they also recommend to clients.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Custodians/broker-dealers will be recommended based on ProfPort's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and ProfPort may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in ProfPort's research efforts. ProfPort will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

ProfPort will recommend clients use TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC and Charles Schwab & Co., Inc.

1. Research and Other Soft-Dollar Benefits

ProfPort receives no research, product, or services other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

2. Brokerage for Client Referrals

ProfPort receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer-Custodian to Use

ProfPort does trade clients' accounts. The ability for clients to direct that transactions be executed through a specific broker-dealer will depend on the specific adviser managing the portfolio.

B. Aggregating (Block) Trading for Multiple Client Accounts

ProfPort does trade clients' accounts and therefore does have the ability to block trade purchases across accounts.

Item 13: Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All client accounts for ProfPort's advisory services provided on an ongoing basis are reviewed at least Quarterly by Aaron St. Germain, Vice President, with regard to clients' respective investment policies and risk tolerance levels. All accounts at ProfPort are assigned to this reviewer.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client of ProfPort's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

ProfPort participates in the institutional advisor program (the "Program") offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions.

ProfPort receives some benefits from TD Ameritrade through its participation in the Program.

As part of the Program, ProfPort may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between ProfPort's participation in the Program and the investment advice it gives to its clients, although ProfPort receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving ProfPort participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have ProfPort's fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to ProfPort by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by ProfPort's related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit ProfPort but may not benefit its client accounts. These products or services may assist ProfPort in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help ProfPort manage and further develop its business enterprise. The benefits received by ProfPort or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, ProfPort endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by ProfPort or its related persons in and of itself creates a conflict of interest and may indirectly influence the ProfPort's choice of TD Ameritrade for custody and brokerage services.

Charles Schwab & Co., Inc. Advisor Services provides ProfessorPortfolios LLC with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For ProfessorPortfolios LLC client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to ProfessorPortfolios LLC other products and services that benefit ProfessorPortfolios LLC but may not benefit its clients' accounts. These benefits may include national, regional or ProfessorPortfolios LLC specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of ProfessorPortfolios LLC by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist ProfessorPortfolios LLC in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of ProfessorPortfolios LLC's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of ProfessorPortfolios LLC's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to ProfessorPortfolios LLC other services intended to help ProfessorPortfolios LLC manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to ProfessorPortfolios LLC by independent third parties. Charles Schwab & Co., Inc. Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to ProfessorPortfolios LLC. ProfessorPortfolios LLC is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

B. Compensation to Non – Advisory Personnel for Client Referrals

ProfPort does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, ProfPort will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

Item 16: Investment Discretion

ProfPort has discretion to select subadvisers, if it so chooses, to manage the account. The Investment Advisory Contract established with each client outlines the discretionary authority for trading. Where discretion has been granted, ProfPort selects a subadviser to manage the client's account and make investment decisions without prior consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. Clients are not permitted to impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

Item 17: Voting Client Securities (Proxy Voting)

ProfPort will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

Item 18: Financial Information

A. Balance Sheet

ProfPort neither requires nor solicits prepayment of more than \$500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither ProfPort nor its management has any financial condition that is likely to reasonably impair ProfPort's ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

ProfPort has not been the subject of a bankruptcy petition in the last ten years.

Item 19: Requirements For State Registered Advisers

A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background

The education and business backgrounds of ProfPort's current management persons, Garari Eli Mikel, Aaron Jeffrey St. Germain & Ryan Guttridge, can be found on the Form ADV Part 2B brochure supplements for those individuals.

B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)

Other business activities for each relevant individual can be found on the Form ADV Part 2B brochure supplement for each such individual.

C. Calculation of Performance-Based Fees and Degree of Risk to Clients

ProfPort does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

D. Material Disciplinary Disclosures for Management Persons of this Firm

There are no civil, self-regulatory organization, or arbitration proceedings to report under this section.

E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)

See Item 10.C and 11.B.